

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

Caption in Compliance with D.N.J. LBR 9004-1(b)

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In re:

COMPUTA-BASE MACHINING, INC.,

Debtor.

Chapter 11

Case No. 18-30856

Judge: Andrew B. Altenburg, Jr.

**SUPPLEMENTAL CERTIFICATION OF AUGUSTIN ROSADO IN OPPOSITION TO
CROSS-MOTION OF THE ACTING UNITED STATES TRUSTEE FOR AN ORDER
CONVERTING THE CASE TO CHAPTER 7, AND IN FURTHER SUPPORT OF
DEBTOR'S MOTION FOR AN ORDER DISMISSING DEBTOR'S CHAPTER 11 CASE**

I, Agustin Rosado, the President of Computa-Base Machining, Inc. (the "Debtor") do
hereby state as follows:

1. I am the President of the Debtor and am familiar with its operations and finances.
2. For over thirty (30) years the Debtor operated profitably in the aerospace and defense industry in its production of precision-engineered machined parts.
3. In connection with a certain line of credit made pre-petition, at the Petition Date the Debtor was obligated to its secured lender 1st Colonial Community Bank (the "Lender") in the amount of approximately \$430,000.00, as well as for a PMSI for certain equipment owned by the Debtor in the amount of approximately \$53,000.00 (the "Prepetition Obligations").
4. The Debtor owes no taxes and no wages to its employees.

5. The Debtor's schedules list the value of the Debtor's assets at cost without depreciation. The Debtor's office equipment was purchased approximately 13 - 28 years ago and as was most of the Debtor's machinery and equipment.

6. All of the Debtor's assets are fully encumbered by its Lender.

7. The Debtor's listed fifty nine (59) creditors on its Schedule F. Of those creditors, seventeen (17) creditors were listed as being owed zero doll The Debtor's listed fifty nine (59) creditors on its Schedule F, and of those creditors, seventeen (17) creditors were listed as being owed zero dollars.

8. The Debtor's largest unsecured creditor Kaman Industrial Technologies Corporation ("Kaman") is listed as being owed more than half of the total amounts of unsecured debt. In addition, Kaman has asserted a reclamation claim in the bankruptcy case.

9. Of the remaining unsecured creditors, at the Petition Date, the Debtor owed approximately \$70,000 on ten (10) credit card accounts.

10. Separately the Debtor has had extensive negotiations with its Lender, the Department of Defense ("DOD"), and creditor Kaman with respect to their claims.

11. Debtor had concluded that conducting a wind down of operations outside of bankruptcy best serves the interest of all creditors.

12. In connection with Kaman's reclamation claim, the Debtor has agreed upon the return of the bearings to Kaman. While this agreement is still being reduced to a writing, and the Debtor and Kaman are working toward an amicable resolution.

13. The Debtor opposes Kaman's request to adjourn the hearings for thirty (30) days, as the continued Chapter 11 administration is unnecessary to finalize an agreement with Kaman.

14. The bearings can and will be returned outside the bankruptcy case. In addition, Kaman retains any rights and claims it has against the Debtor which can be asserted in a non-bankruptcy forum.

15. The Debtor attempted to sell its company as a going concern; however as a minority and Veteran owned company, the Debtor has been unable to locate a suitable purchaser. This resulted in the Debtor focusing on a consensual wind down, which would address the claims of the Lender and allow the Debtor to continue to operate while addressing creditor claims. Attached hereto as Exhibit "A" is a copy of the Debtor's wind down budget.

16. Further the Lender will not advance additional moneys to the Debtor while it remains in Chapter 11. Without advances of additional moneys the Debtor is unable to perform its obligations under numerous contracts, including those with the DOD.

17. The Debtor believes that the remaining unsecured debt can be resolved, and that it need not incur the expense and delay occasioned by continuing the instant Chapter 11 proceedings.

18. The Debtor believes a wind-down in a Chapter 7 case would not be in the best interest of the creditors.

19. Upon conversion, the Debtor's operations would cease, as there would be no one to complete the work in process on the minority/veteran contracts. The Debtor's contracts are for specific services and cannot be assigned, and the DOD would oppose any efforts to do so.

20. A Chapter 7 Trustee would hire additional professionals including lawyers, accounts and an auctioneer to liquidate the estate. Which would likely result in the estate becoming administratively insolvent. In addition, all of the assets are encumbered by the Lender who would seek relief from the stay.

21. The additional administrative expenses of a Chapter 7 combined with the current Chapter 11 administrative expenses would ensure no recovery to unsecured creditors. Thus, conversion of the Debtor case to a Chapter 7 would likely result in the estate becoming administratively insolvent.

22. On December 3, 2018, the Debtor filed an Application for Retention of Asterion, Inc. as Accountant and Financial Advisor, which was granted by the Court on December 11, 2018.

23. Asterion, Inc. assisted the Debtor in preparing and finalizing its Monthly Operating Reports.

24. The Debtor is current in its reporting obligations, and has filed monthly operating reports for October 2018, November 2018, December 2018, and January 2019.

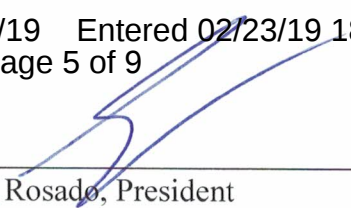
25. The Debtor also timely paid the Quarterly fee to the Office of the U.S. Trustee for the fourth quarter of 2018.

26. I believe the Debtor no longer needs the bankruptcy as the Debtor's Lender and the Debtor have agreed on the liquidation of the Debtor's business assets outside of the Chapter 11 case.

27. I believe converting the case to a Chapter 7 would not be in the best interest of the Debtor's creditors.

28. I believe it is in the best interests of all creditors to dismiss the Debtor's pending Chapter 11 Case.

Dated: February 22, 2019



Agustin Rosado, President
Computa-Base Machining, Inc.

EXHIBIT "A"

Cash Flow after COGS	80,900	22,600	64,700	123,000	154,000	138,000	133,100	129,000	0	0	0	0	271,400
Operating Expenses													
Officer's Salaries	6,100	6,100	6,100	6,100	0	0	0	0	0	0	0	0	24,400
Office Payroll	11,000	11,000	11,000	11,000	0	0	0	0	0	0	0	0	44,000
Insurance	5,800	5,800	5,800	5,800	5,800	0	0	0	0	0	0	0	29,000
Payroll Taxes	1,500	1,500	1,500	1,500	0	0	0	0	0	0	0	0	6,000
Professional Fees*	800	800	800	800	800	0	0	0	0	0	0	0	4,000
Rent	0	0	0	0	0	0	0	0	0	0	0	0	0
Telephone	600	600	600	600	600	0	0	0	0	0	0	0	3,000
Employee Benefits and Pension	2,000	2,000	2,000	2,000	0	0	0	0	0	0	0	0	8,000
Travel & Entertainment	500	500	500	500	0	0	0	0	0	0	0	0	2,000
Office Expense	500	500	500	500	0	0	0	0	0	0	0	0	2,000
Utilities	700	700	700	700	700	700	0	0	0	0	0	0	4,200
automobile Expense	1,700	300	300	300	300	0	0	0	0	0	0	0	2,900
Computer Supplies	2,400	1,400	1,400	1,400	0	0	0	0	0	0	0	0	6,600
Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
Postage	0	0	0	0	0	0	0	0	0	0	0	0	0
Taxes-other	200	200	200	200	200	0	0	0	0	0	0	0	1,000
Advertising	0	0	0	0	0	0	0	0	0	0	0	0	0
Bank Charges	600	600	600	600	600	0	0	0	0	0	0	0	3,000
Repair & Maintenance - Building	100	100	100	100	100	0	0	0	0	0	0	0	500
Alarm Monitoring	100	100	100	100	100	100	0	0	0	0	0	0	600
Commissions	0	0	0	0	0	0	0	0	0	0	0	0	0
ITAR Certifications	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc.	0	0	0	0	0	0	0	0	0	0	0	0	0
Consulting*	1,400	1,400	1,400	1,400	1,400	0	0	0	0	0	0	0	7,000
Outside Professionals- Legal*	0	0	0	0	0	0	0	0	0	0	0	0	0
Outside Professionals- Financial .	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Expenses	36,000	33,600	33,600	33,600	10,600	800	0	0	0	0	0	0	148,200

Other Income (Expenses)

Interest Income	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Expense	(3,700)	(3,700)	(3,700)	(3,700)	(3,700)	(3,700)	(3,700)	0	0	0	0	0	(25,900)
Officer's Life Insurance	(400)	(400)	(400)	(400)	(400)	(400)	(400)	0	0	0	0	0	(2,800)
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0
Provision for taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Distributions	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Other Income (Expenses)	(4,100)	(4,100)	(4,100)	(4,100)	(4,100)	(4,100)	(4,100)	0	0	0	0	0	(28,700)

Principal payments on equip loan	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	0	0	0	0	0	0	0	0
Cash - monthly surplus/(deficit)	39,500	(16,400)	25,700	84,000	138,000	133,100	129,000	129,000	0	0	0	0	94,500

Beginning Cash Balance- after Advances & Paybacks

	-	-	-	-	-	0	0	0	0	0	0	0	0
Ending Cash Balance (before Advances & Paybacks)	39,500	(16,400)	25,700	84,000	138,000	133,100	129,000	129,000	0	0	0	0	94,500

Loan Advance (payback)	0	20,000	0	(20,000)	0	0	0	0	0	0	0	0	0
Loan Advance Cumulative	0	20,000	20,000	0	0	0	0	0	0	0	0	0	0
Remaining Availability	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Cash Balance	39,500	3,600	25,700	64,000	138,000	133,100	129,000	129,000	0	0	0	0	0

* Does not include Asterion & Obermeyer

(1) Cash in all bank accounts
owned, net of end of December
payroll and vendor payables

(2) January collections include
the refund of \$20,000 from
Kaman